

Exhibit 1

Akin Gump

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December 2, 2022

Kyle W. Roche
Kyle Roche Law
260 Madison Ave. Fl. 8
New York, NY 10016

Re: *Celsius Network Limited v. Stone*, Case No. 22-01139-MG

Dear Kyle:

We represent Plaintiffs Celsius Network and Celsius KeyFi LLC ("Celsius") in the above-referenced action against Defendants Jason Stone and KeyFi Inc. ("KeyFi").

We write concerning the Defendants' contention in their November 28, 2022 brief in opposition to Celsius' motion for a preliminary injunction ("Motion") that "[t]he only relief requested in the Motion that Defendants oppose" is Celsius' request for an injunction restraining Defendants from transferring the "Property." *See* Def. Opp. Br. at 13 (D.N. 32). Attached please find a joint stipulation and proposed order ("Stipulation and Order") granting the relief requested in the Motion, other than the request for an injunction of transfers of Property, which will be reserved for decision by the Court. The only substantive change in the enclosed Stipulation and Order compared to the relief sought in Celsius' Motion is intended to address the Defendants' concern regarding destruction of ESI. *Compare id.* at 14 with Stipulation and Order ¶ 3. While you never raised this concern prior to Defendants' November 28 opposition brief, we are happy to accommodate it at your request. Please execute the stipulation and return it so we can get it on file.

As you know, before filing its motion, in early September 2022, Celsius wrote you and asked that the Defendants voluntarily agree to all of the relief Celsius would later seek in its Motion. *See* Celsius Injunction Motion Exs. 40, 42 (D.N. 24-14, 24-16). By letter dated September 12, 2022, you refused. *Id.*, Ex. 41 (D.N. 24-15). The Defendants could have saved Celsius and its creditors substantial time and money had they agreed to Celsius' request with respect to some of the relief sought back in September, rather than waiting until late November to do so. We hope you will not waste more time and money by walking back your representation to the Court. Please execute and return the enclosed stipulation without further delay.



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Nothing herein constitutes a waiver or relinquishment of any of Celsius' rights, remedies, claims or defenses, all of which expressly are reserved.

Regards,

/s/ Mitchell P. Hurley
Mitchell P. Hurley

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-10964 (MG)

(Jointly Administered)

CELSIUS NETWORK LIMITED and
CELSIUS KEYFI LLC,

Plaintiffs,

v.

JASON STONE and KEYFI INC.,

Defendants.

Adv. Pro. No. 22-01139 (MG)

**JOINT STIPULATION AND AGREED ORDER BETWEEN PLAINTIFFS CELSIUS
NETWORK LIMITED AND CELSIUS KEYFI LLC AND DEFENDANTS
JASON STONE AND KEYFI INC. REGARDING A
VOLUNTARY INJUNCTION OF DEFENDANTS**

This stipulation and agreed order (the “Stipulation and Order”) is entered into by and among Plaintiffs Celsius Network Limited and Celsius KeyFi LLC (the “Plaintiffs” or “Celsius”), and Defendants Jason Stone and KeyFi Inc. (the “Defendants” and together with the Plaintiffs, the “Parties”) in the above-captioned adversary proceeding (the “Adversary Proceeding”). Each of the Parties agrees and stipulates to the following:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

WHEREAS, on August 23, 2022, Plaintiffs filed an adversary complaint (the “Complaint”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) against Defendants;

WHEREAS, on October 13, 2022, Celsius filed an Amended Complaint against Defendants in the Adversary Proceeding asserting claims for turnover, conversion, fraudulent misrepresentation, breach of fiduciary duty, unjust enrichment, replevin, and accounting;

WHEREAS, on November 14, 2022, Celsius filed a Motion for Preliminary Injunction (the “Motion”) Pursuant to Rule 7065 of the Federal Rules of Bankruptcy Procedure;

WHEREAS, the Bankruptcy Court conducted a Case Management Conference on Wednesday, November 23, 2022, during which it scheduled a hearing on Celsius’ Motion for January 11, 2022 (the “Hearing”), and set intervening deadlines for any expedited discovery related to the Motion;

WHEREAS, on November 28, 2022, Defendants filed their opposition to the Motion (the “Opposition”);

WHEREAS, in their Opposition, Defendants state that the only branch of the Motion that Defendants oppose is the request for a pre-judgment attachment to various “Property,” including certain NFTs that Plaintiffs claim Defendants stole.

WHEREAS, the Parties wish to streamline the issues that remain open in connection with Plaintiffs’ Motion in advance of the Hearing by setting forth the injunction relief Defendants will voluntarily agree to;

WHEREAS, the Parties now jointly submit this Stipulation and Order and respectfully request that the Bankruptcy Court approve the stipulation set forth below.

IT IS THEREFORE STIPULATED AND AGREED, AND UPON BANKRUPTCY COURT APPROVAL HEREOF, IT IS HEREBY ORDERED THAT:

1. Beginning on the date this Stipulation and Order is so-ordered by the Court (the “Effective Date”), and continuing until otherwise ordered by this Bankruptcy Court the Defendants and the Defendants’ officers, agents, servants, employees, attorneys, and any other persons who are in active concert or participation with the Defendants (collectively, the “Defendant Parties”) are restrained and enjoined from:
 - a) accessing, transferring, or otherwise disposing of the Celsius Staked ETH;²
 - b) accessing for any reason any Celsius Wallets;³
 - c) concealing the location of property that could otherwise be available to satisfy a judgment in this case, including by use of Tornado Cash⁴ or any other “mixer” or similar such application.
2. The Defendants are required, within five calendar days of the Effective Date, to specifically identify, under penalty of perjury, all Property, including all Stone Utilized Assets and all Subject Property, and its current location(s).

² “Celsius Staked ETH” refers to the 24,960 ETH transferred from the Celsius Wallet with the address 0xb1adceddb2941033a090dd166a462fe1c2029484 through a smart contract with the address 0x39dc6a99209b5e6b81dc8540c86ff10981ebda29 and deposited to the Ethereum staking deposit smart contract with the address 0x00000000219ab540356cBB839Cbe05303d7705Fa and all interest or other rewards earned thereon.

³ “Celsius Wallets” are the blockchain wallets in which Celsius deposited digital assets for deployment in authorized staking and decentralized finance activities by the Defendants, and to which Celsius supplied the seed phrase and/or private keys to the Defendants. “Stone Utilized Assets” refers to any assets removed or otherwise used by, or at the direction of, the Defendants from any Celsius Wallet. “Subject Property” refers to NFTs, interests in blockchain related companies, and any other property of any kind acquired in whole or in part with Stone Utilized Assets or their proceeds. “Property” refers collectively to the Stone Utilized Assets and the Subject Property.

⁴ “Tornado Cash” refers to the virtual currency mixer sanctioned by the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) on August 8, 2022.

3. The Defendant Parties are required, within 24 hours of the Effective Date, to provide the plaintiffs any and all documents containing the seed phrases and private keys associated with any and all Celsius Wallets and with the Celsius Staked ETH (or containing hints or other similar information usable to recall or determine such seed phrases and private keys) currently in the Defendant Parties' possession, custody or control (collectively, the "Seed and Key Documents"), and immediately thereafter shall destroy any copies of the Seed and Key Documents in any of the Defendant Parties' possession, custody or control. For the avoidance of doubt, this provision is intended to ensure that none of the Defendant Parties retain possession, custody or control of the seed phrases and private keys associated with any and all Celsius Wallets and with the Celsius Staked ETH, while ensuring that any documents containing the seed phrases and private keys (or information usable to recall or determine the seed phrases and private keys) survive, but solely in the possession of the Plaintiffs.
4. The Hearing shall go forward with respect to that aspect of the Motion seeking to restrain the Defendant Parties from transferring or otherwise disposing of any Property, including any Stone Utilized Assets and any Subject Property, that they took from any Celsius Wallets.
5. This Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Stipulation and Order.

SO STIPULATED:

Dated: December 2, 2022

/s/

AKIN GUMP STRAUSS HAUER & FELD LLP

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– and –

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Counsel to Celsius KeyFi LLC and Celsius Network Limited

SO ORDERED:

Dated: _____, 2022
New York, New York

THE HONORABLE MARTIN GLENN
CHIEF UNITED STATES BANKRUPTCY JUDGE